

Jersey City Municipal Budget Book

calendar year 2014





STEVEN M. FULOP
MAYOR OF JERSEY CITY

CITY OF JERSEY CITY OFFICE OF THE MAYOR

CITY HALL | 280 GROVE STREET | JERSEY CITY, NJ 07302
P: 201 547 5500 | F: 201 547 5442



STEVEN M. FULOP
MAYOR OF JERSEY CITY

March 10, 2014

Council President Rolando Lavarro, Jr. &
Members of the Municipal Council
City Hall – 280 Grove Street
Jersey City, New Jersey 07302

Re. Calendar Year 2014 Budget

Dear Council President Lavarro & Council Members:

I am pleased to submit the administration's first budget, the 2014 Calendar Year Budget, which reduces property taxes by 2.1 percent and provides you with the flexibility to reduce taxes even further – up to 5.6 percent.

We worked hard to produce this first budget and create a pathway toward fiscal stability. As you will see, the 2014 budget includes \$118 million of new and permanent ratables, and we are committed to growing the tax base even further through progressive development policies.

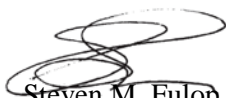
The budget also reflects cost savings from the restructuring of city government, including the creation of a Department of Public Safety from the merger of the Police and Fire Departments. In 2014, to achieve further cost savings and generate additional efficiencies, the administration will move forward with plans for the consolidation of autonomous agencies – beginning with the Parking Authority.

Also reflected in the budget is the largest total investment in recreation within the last five years and the largest percent increase in funding since 1999. We have created a variety of new programs and summer jobs for youth. What's more, the administration is making the largest investment in parks in decades, with \$6 million in grant and capital funds allocated toward the renovation of 13 parks across the city.

Illustrating fiscal responsibility, the 2014 budget also includes a \$2 million allocation towards retirement payouts – the first time such funds have been budgeted since 2010.

As we work with the Council toward a long-range fiscal plan, we will include responsible projections for anticipated future liabilities minimizing last minute budget gaps. I look forward to working with you on a partnership to develop meaningful reductions over the next few years.

Yours truly,



Steven M. Fulop
Mayor



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STEVEN M. FULOP
MAYOR OF JERSEY CITY

BACKGROUND OF JERSEY CITY

Founded in 1630 and incorporated in 1820, Jersey City once served as a shipping, manufacturing, and rail transportation hub. Home to Ellis Island, Jersey City has served as the gateway to the United States for millions of immigrants.

Today Jersey City is a vibrant and thriving city, where rail yards, factories, and warehouses have been transformed into parks, restaurants, shops, and modern skyscrapers. Seven of the ten tallest buildings in the state are found in Jersey City, with the tallest residential building in the State scheduled to begin construction in early 2014. Jersey City residents and visitors enjoy spectacular views of the New York City skyline with miles of Hudson River waterfront.

Jersey City's robust transportation infrastructure allows for easy access to New York City using the PATH train subway system, NY Waterway Ferries, or the Holland Tunnel. An expansive above-ground light rail system that opened in the year 2000 connects Jersey City to neighboring municipalities.

The thriving business community of Jersey City is driven by the healthcare, insurance, finance, real estate, and public sector industries, with many workers commuting from New York City or other municipalities within northern and central New Jersey. Education is also an important aspect of life in Jersey City, with New Jersey City University (NJCU), Saint Peter's University, and Hudson County Community College each calling Jersey City home.

Tourism is a growing industry for Jersey City with two hotels under construction and three more planned to begin construction in the next few years. While Liberty State Park, Liberty National Golf Course, and the Statue of Liberty attract millions of visitors each year, this year was especially noteworthy as Jersey City proudly hosted the Seattle Seahawks and Denver Broncos, their families, and many of their fans for the week leading up to the Super Bowl.

The City of Jersey City has a population of over 250,000 residents in only 15 square miles. With a healthy population growth rate and an exponential increase in residential construction (5,600 residential units are currently under construction, the highest level in recent history), Jersey City will surpass Newark to become the largest city in New Jersey by the end of 2016.

Business Insider recently ranked Jersey City as the second most ethnically diverse city in the United States, and *The Atlantic* ranked Jersey City as one of the top 10 most artistic cities in the United States. Jersey City Mayor Steven Fulop has declared one of his top priorities to be making Jersey City the best mid-sized city in America.

Jersey City Municipal Council



Joyce Watterman
Councilwoman at Large



Rolando R. Lavarro, Jr.
Council President



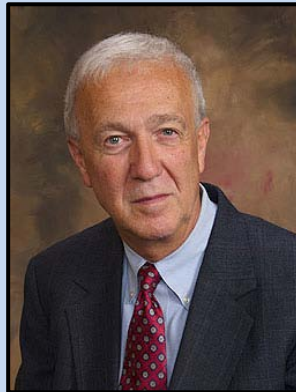
Daniel Rivera
Councilman at Large



Frank Gajewski
Ward A



Khemraj "Chico" Ramchal
Ward B



Rich Boggiano
Ward C



Michael Yun
Ward D



Candice Osborne
Ward E



Diane Coleman
Ward F

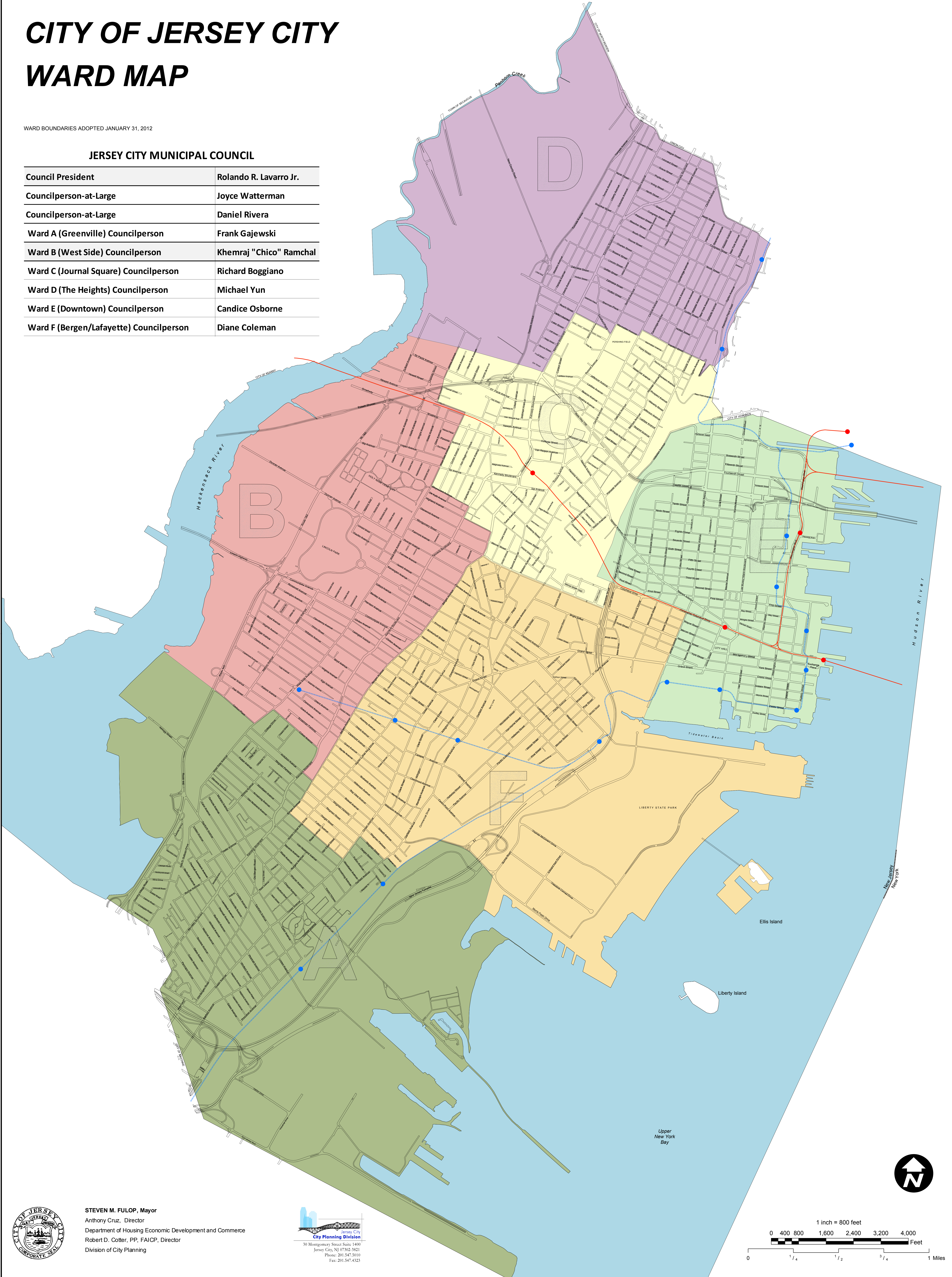
CITY OF JERSEY CITY

WARD MAP

WARD BOUNDARIES ADOPTED JANUARY 31, 2012

JERSEY CITY MUNICIPAL COUNCIL

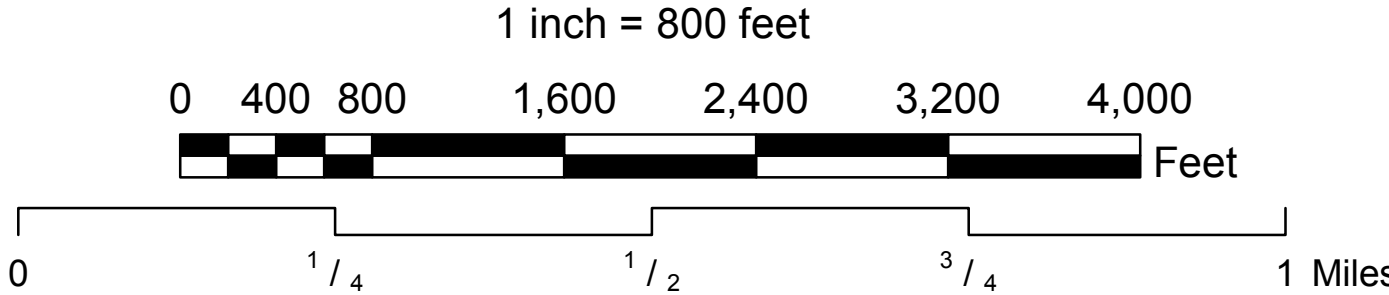
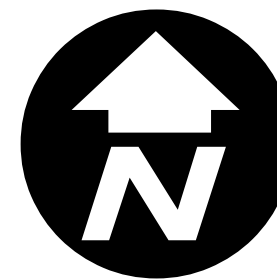
Council President	Rolando R. Lavarro Jr.
Councilperson-at-Large	Joyce Watterman
Councilperson-at-Large	Daniel Rivera
Ward A (Greenville) Councilperson	Frank Gajewski
Ward B (West Side) Councilperson	Khemraj "Chico" Ramchal
Ward C (Journal Square) Councilperson	Richard Boggiano
Ward D (The Heights) Councilperson	Michael Yun
Ward E (Downtown) Councilperson	Candice Osborne
Ward F (Bergen/Lafayette) Councilperson	Diane Coleman



STEVEN M. FULOP, Mayor
Anthony Cruz, Director
Department of Housing Economic Development and Commerce
Robert D. Cotter, PP, FAICP, Director
Division of City Planning



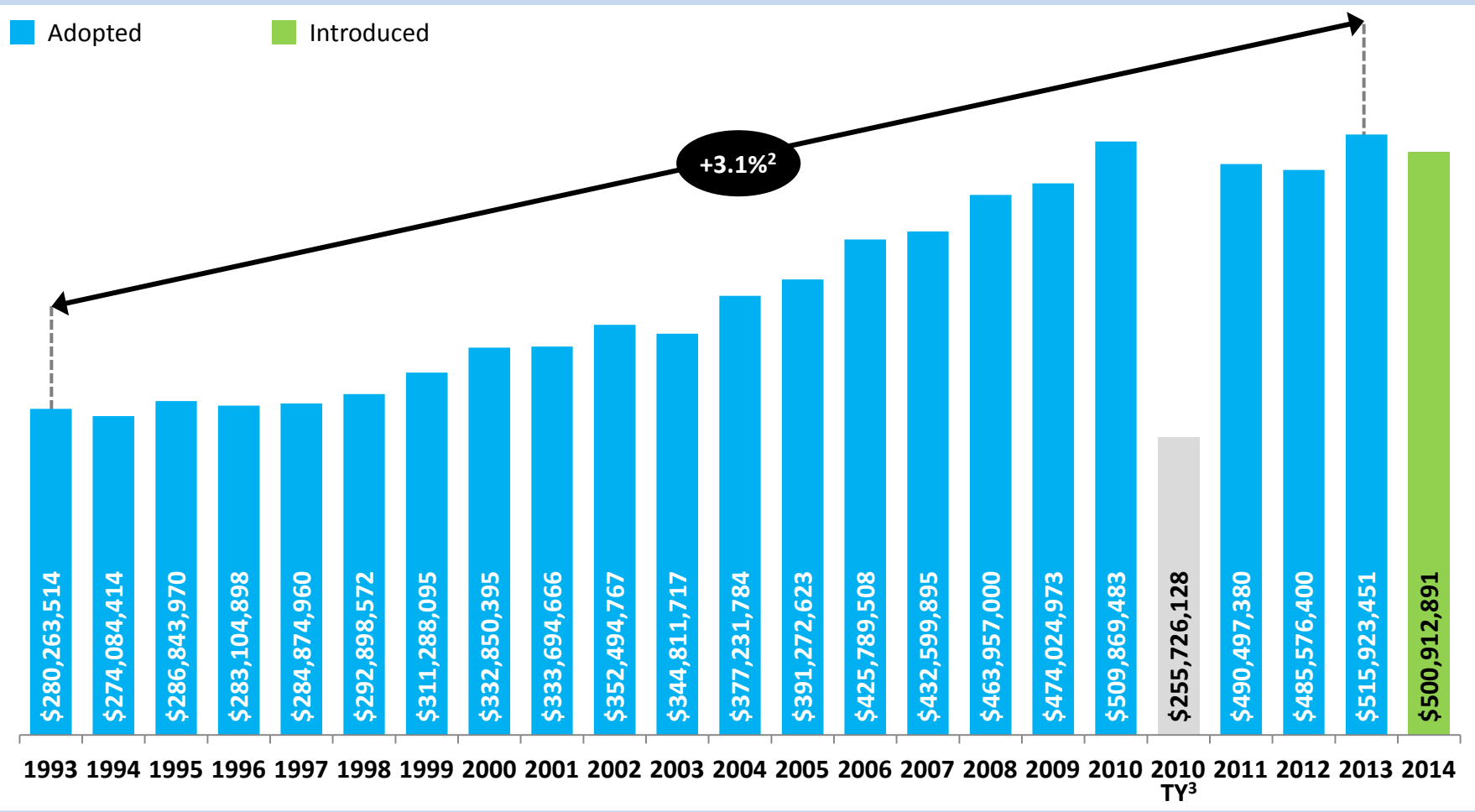
30 Montgomery Street Suite 1400
Jersey City, NJ 07302-3821
Phone: 201.547.5010
Fax: 201.547.4325





Over the last 20 years Jersey City municipal budgets have grown at an average rate of 3.1% per year

1993-2013 Jersey City Municipal Budget Overview¹

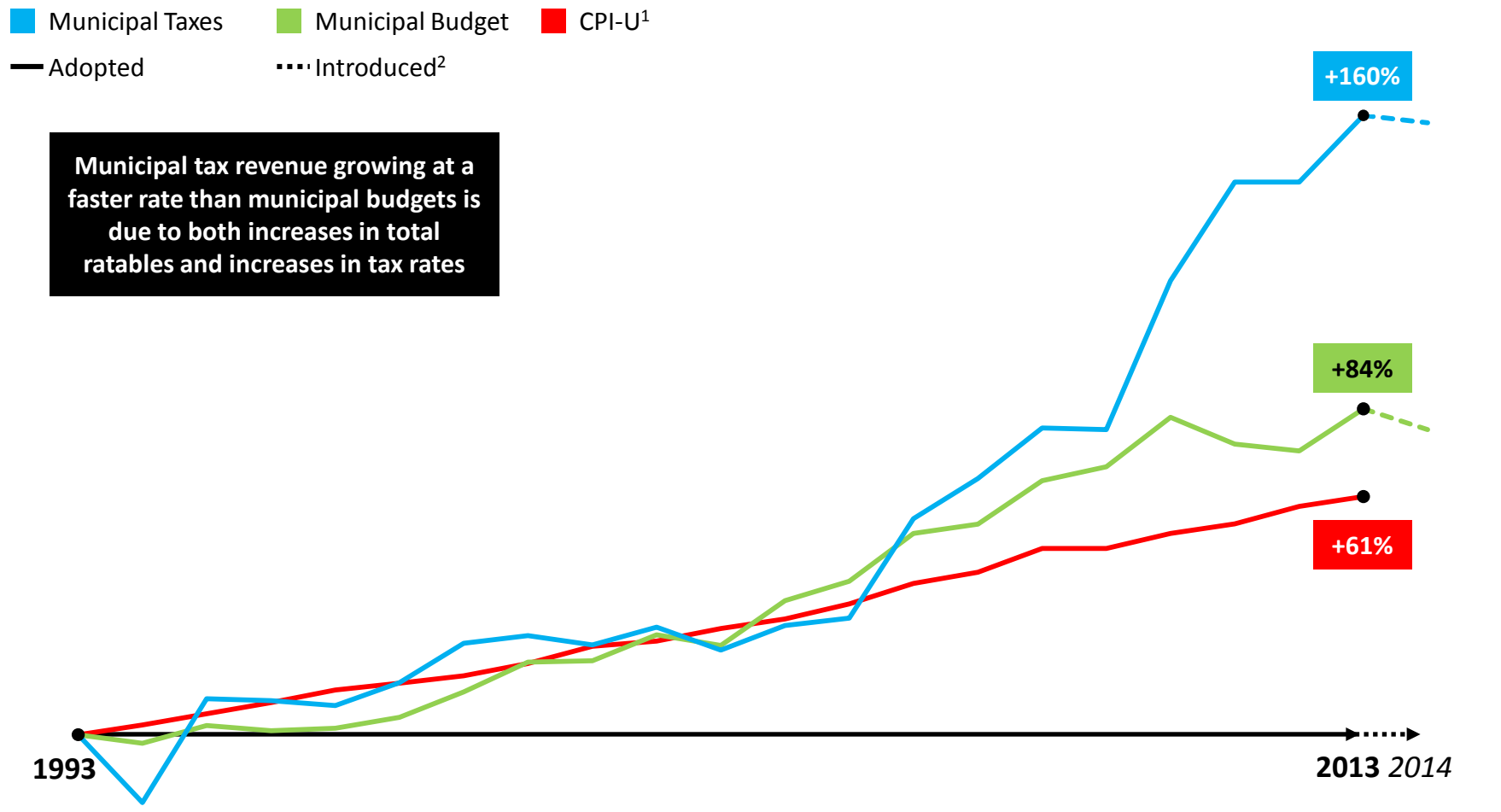


1: Final adopted budget for each year, not including amendments after adoption; 2: Combined annual growth rate (CAGR); does not include 2010 TY; 3: Switch in 2010 from fiscal year budget to calendar year budget resulted in a "transition year" budget from July 1 2010 to December 31 2010



Since 1993 the budget has grown slightly faster than the overall U.S. cost of living but much slower than taxes

1993-2013 Index of Jersey City Municipal Budgets, Jersey City Municipal Taxes, and U.S. Cost of Living (CPI-U)¹

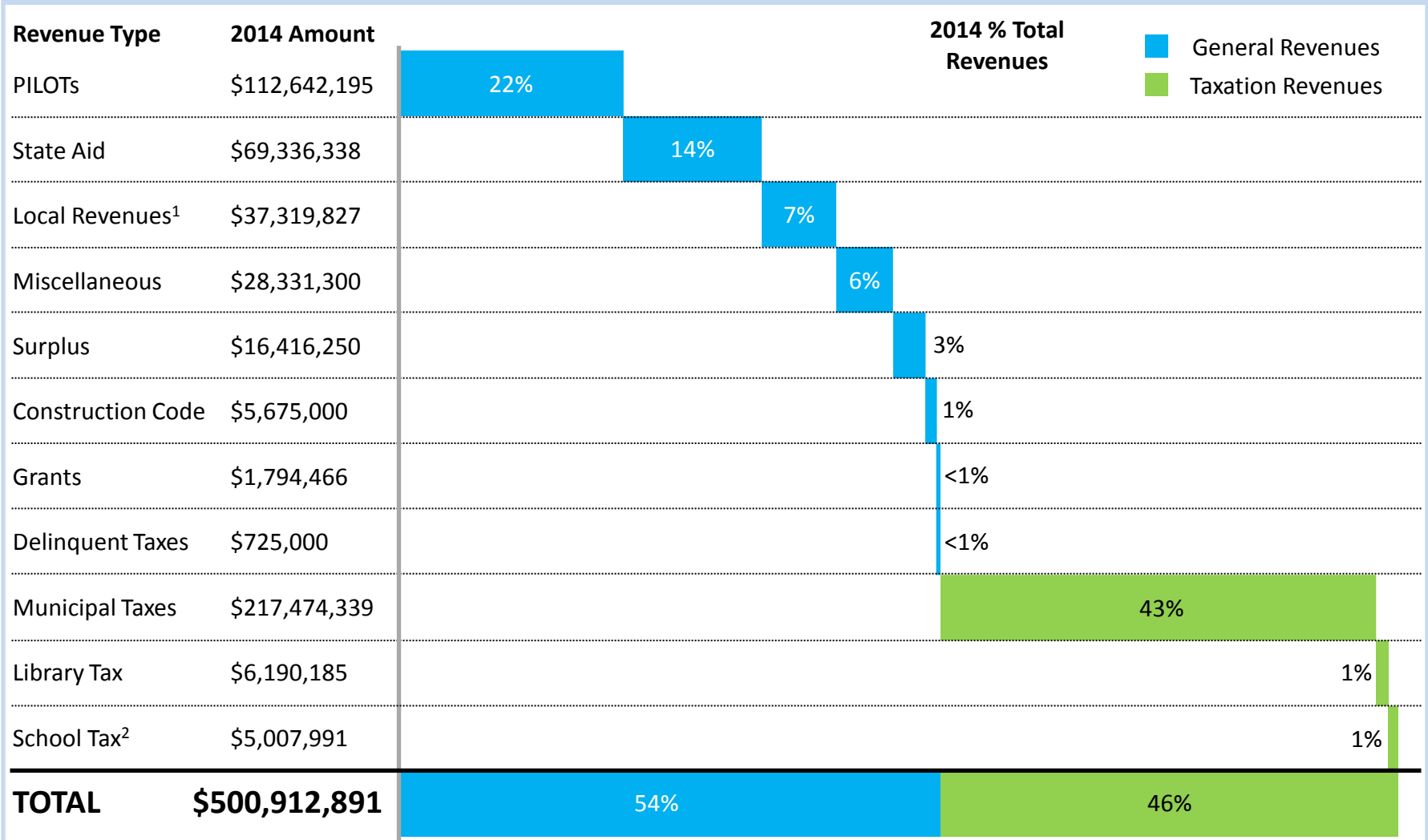


1: Urban Consumer Price Index (CPI-U) is a primary cost of living indicator calculated using prices paid for a sample of goods and services for United States urban consumers that includes items such as rent, food, clothing, healthcare, transportation, and housing (accounts for inflation); growth rates indexed to 1993 values

The 2014 introduced budget anticipates \$217 million in municipal taxes, which is only 43% of total budget revenues



Introduced CY 2014 Budget Anticipated Revenues



The 2014 introduced budget includes a 2.1% municipal tax reduction



2014 Introduced Municipal Tax Rate

**2014
Municipal
Tax Rate**

\$36.656

**'13-'14
Rate Change**

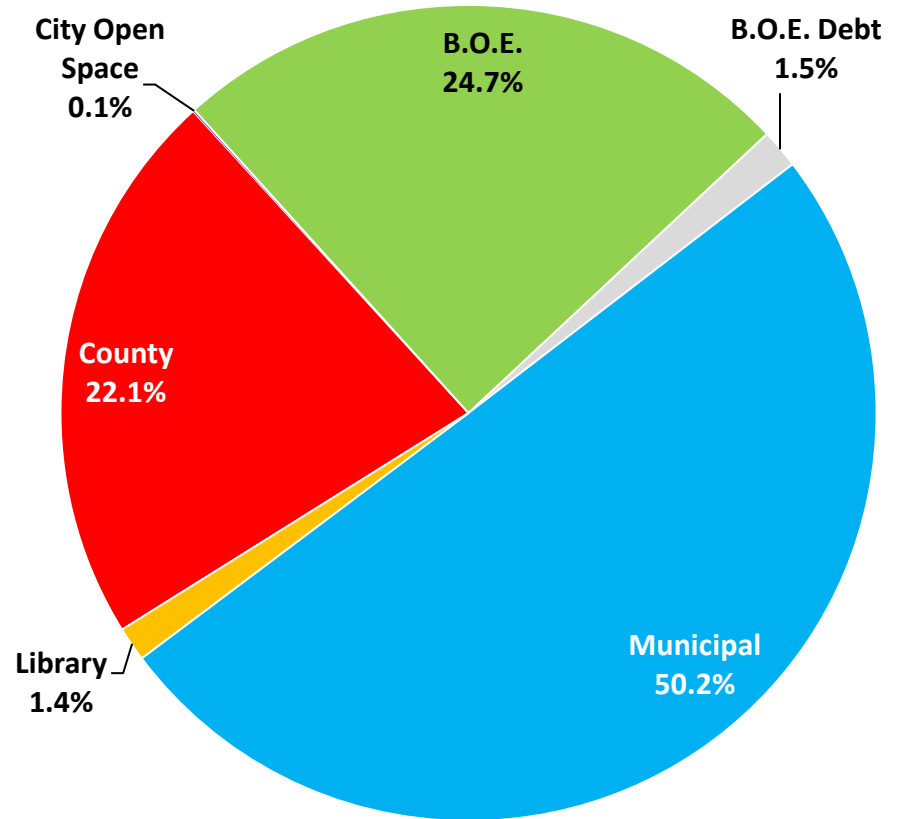
-\$0.789

**'13-'14
% change**

-2.1%

Tax rates are reported as a dollar amount per \$1,000 of assessed property value: at the municipal tax rate of \$36.656, a property assessed at \$10,000 will owe \$366.56 in annual municipal property taxes

2013 Percent of Taxes By Recipient Agency¹

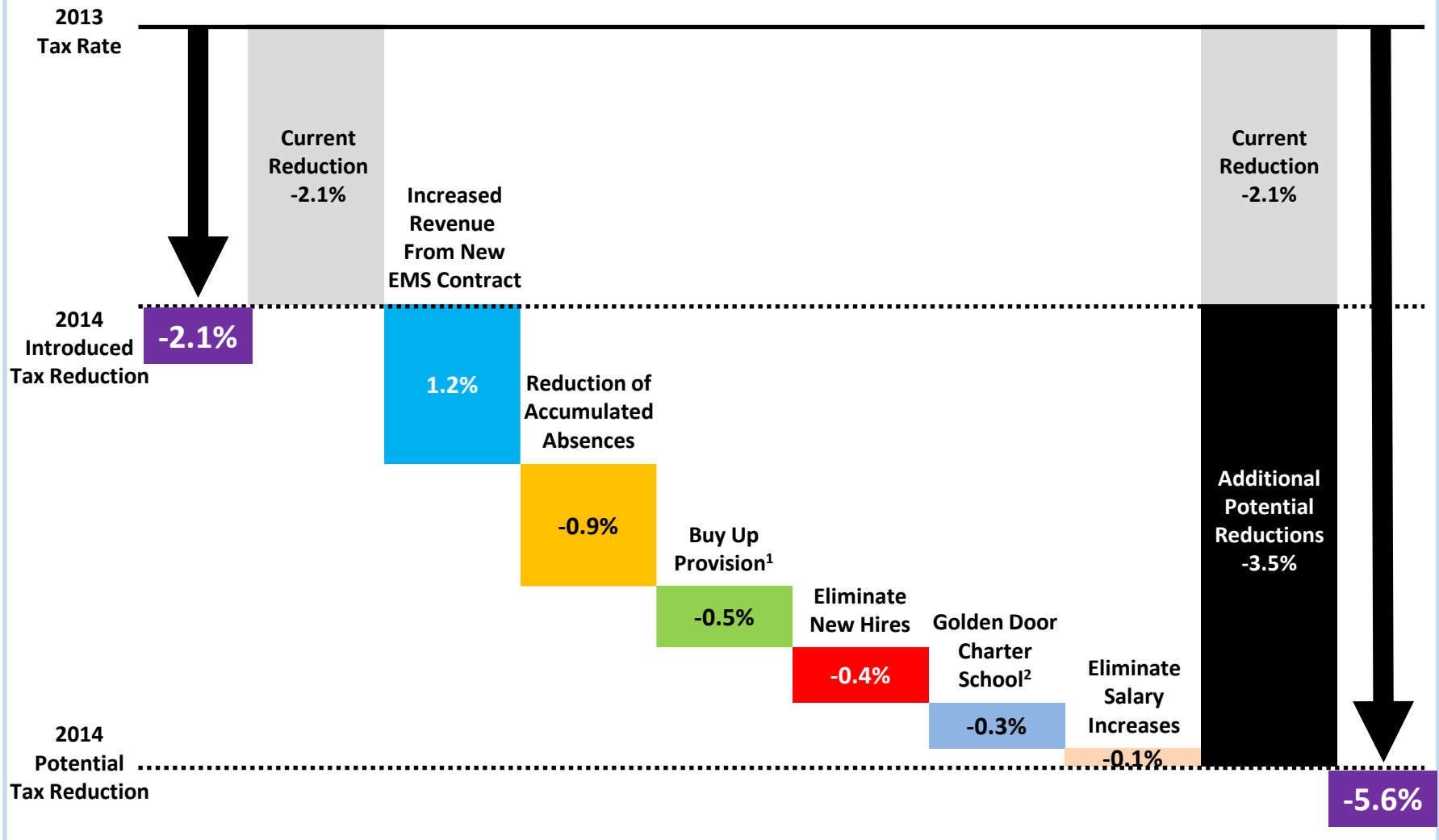


Municipal taxes were only half of the total tax levy on Jersey City property owners in 2013

The Council and Mayor are considering 3.5% in additional tax rate savings levers for a maximum tax reduction of 5.6%



Additional Potential 2014 Budget Savings Levers

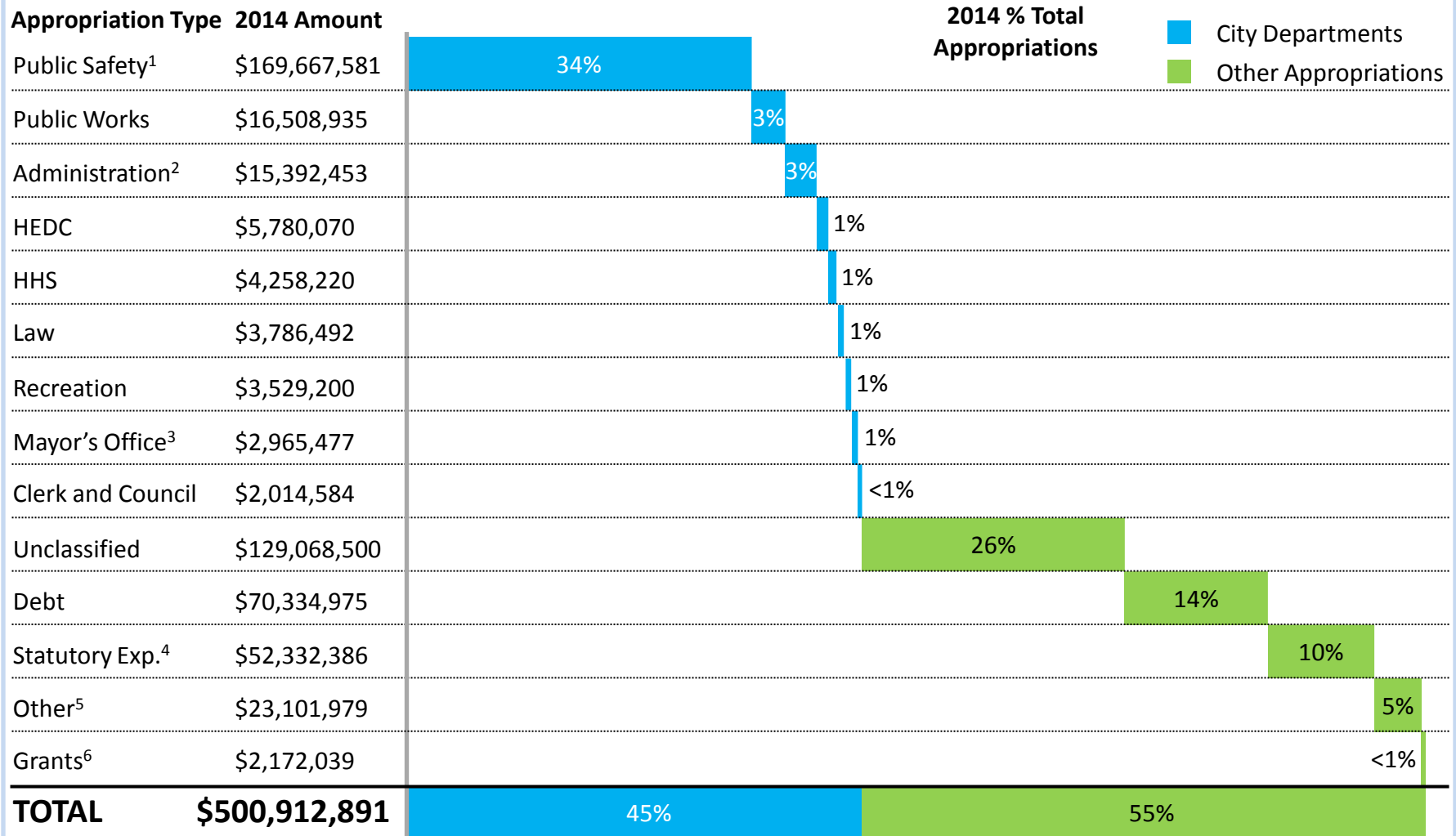


1: Option for current tax abatement designees to purchase tax abatement term extensions; 2: Jersey City is currently in negotiations with the Board of Education regarding rent for the Golden Door Charter School which may provide an additional source of revenue

34% of 2014 budget appropriations are allocated for the Department of Public Safety in 2014



Introduced CY 2014 Budget Anticipated Appropriations

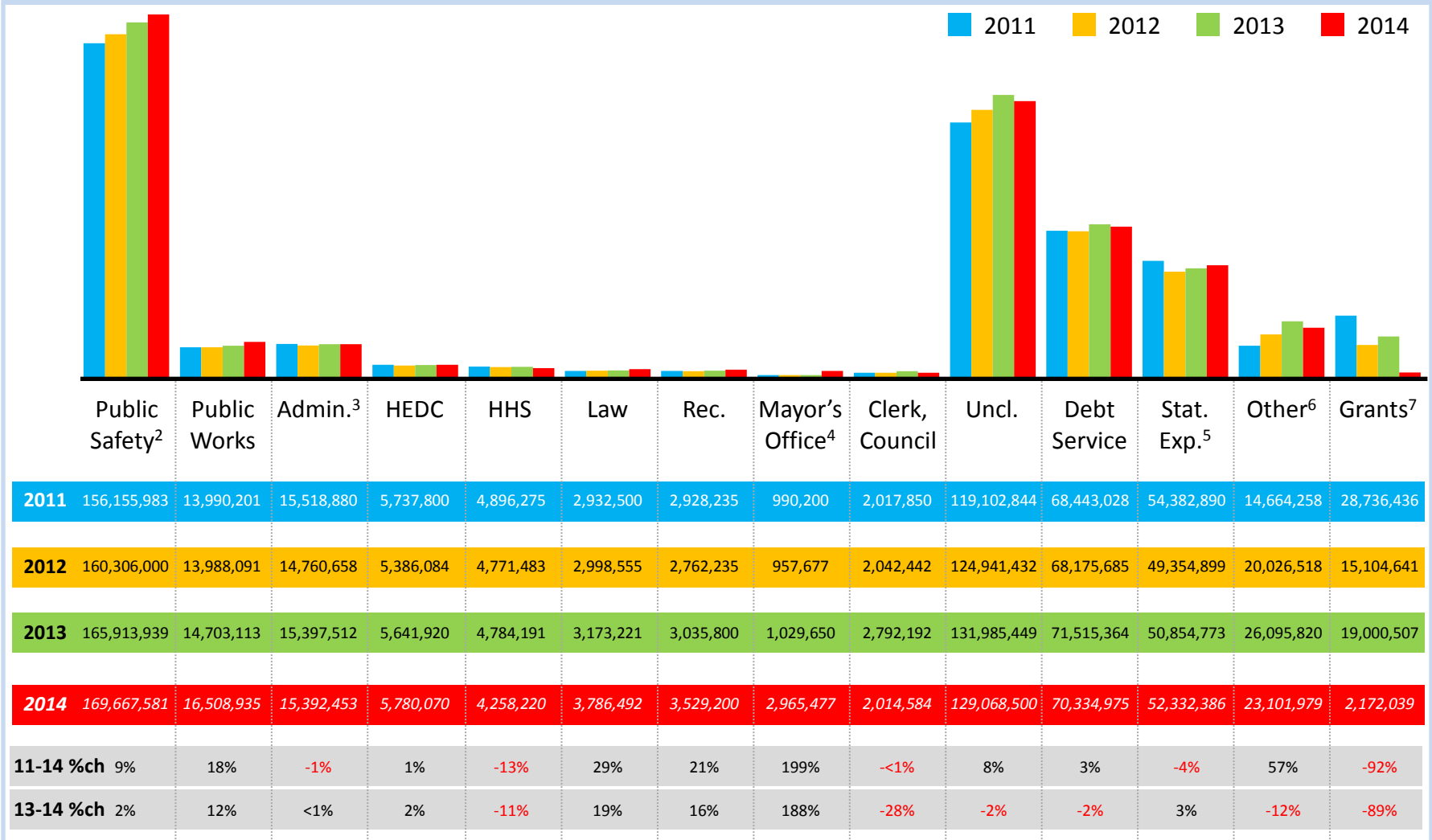


1: Includes Fire Dept. and Police Dept.; 2: Includes Tax Assessor; 3: Includes Resident Response Center (RRC); 4: Includes mandatory payments, i.e. social security, pension, retirement; 5: Includes deferred charges, reserve for uncollected taxes, capital impr., JCPA and JCFPL, accum. absences, and contingency; 6: to date

Continued investment in resident safety (hiring more police and fire personnel) drives the Public Safety budget increase



2011-2014¹ Adopted Jersey City Municipal Budget Appropriations, USD

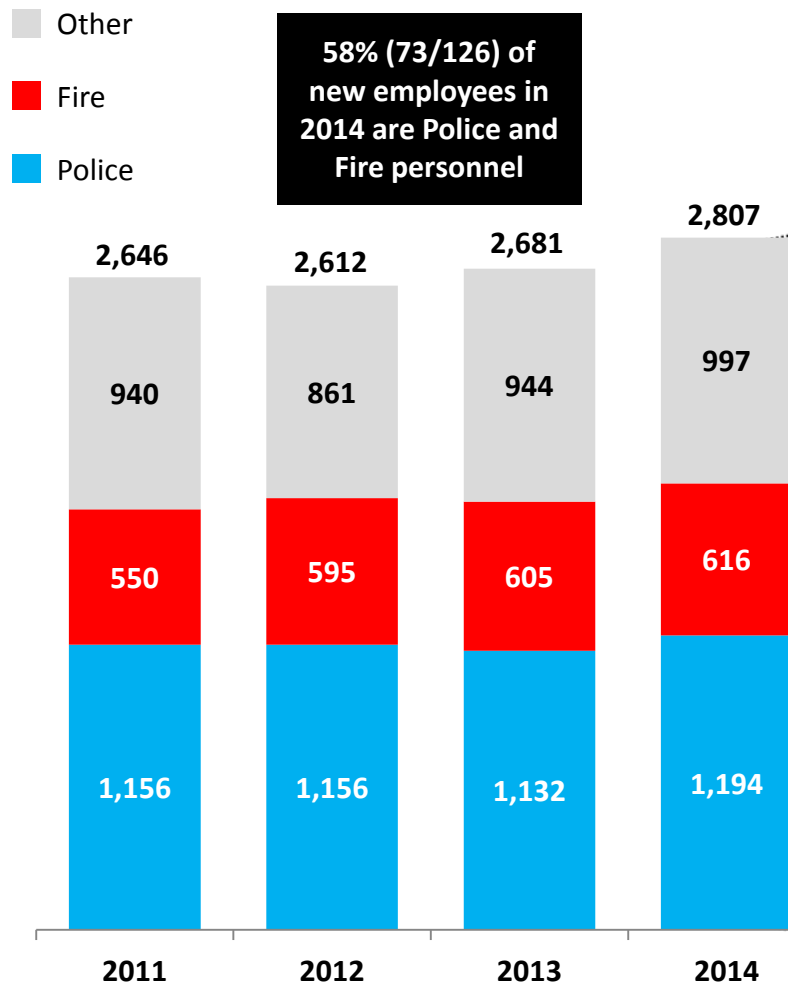


1: 2014 is introduced; 2: Includes Fire Dept. and Police Dept.; 3: Includes Resident Response Center (RRC) (2011-2013 only) and Tax Assessor; 4: Includes Resident Response Center (RRC) (2014 only); 5: Includes mandatory payments, i.e. social security, pension, retirement; 6: Includes deferred charges, reserve for uncollected taxes, capital impr., JCPA and JCFPL, accum. absences, and contingency; 7: 2014 to date

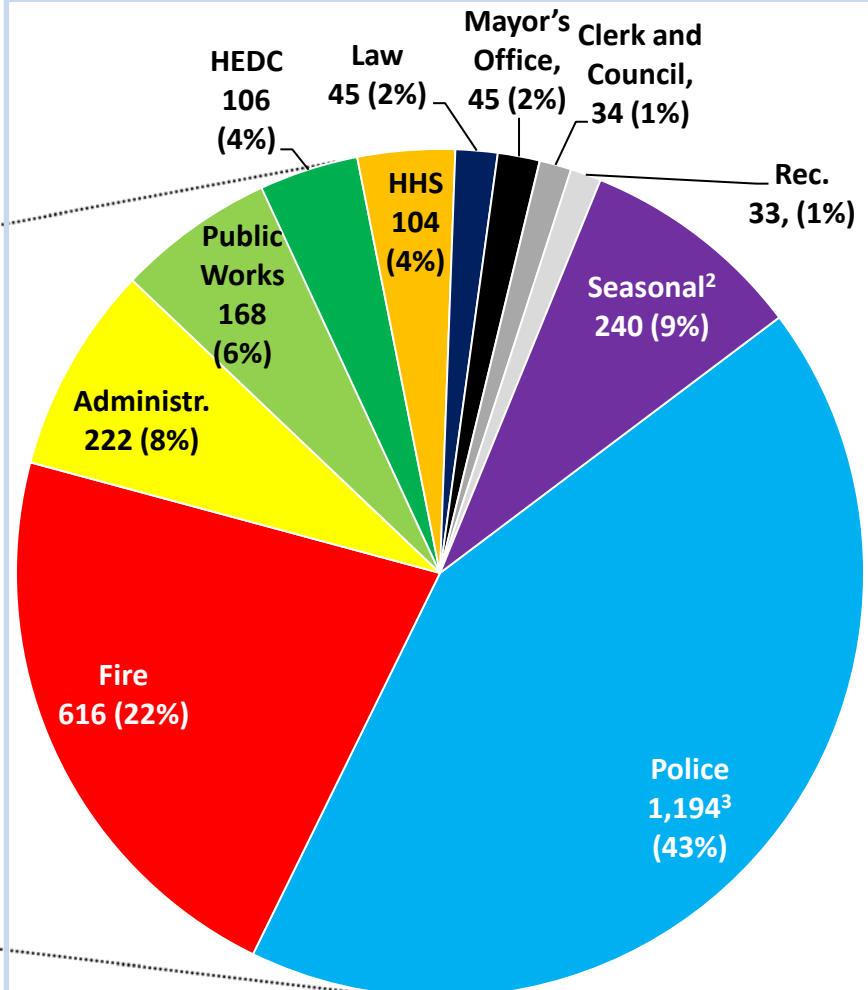


The Police and Fire Departments together comprise 64% of all Jersey City employees in 2014

2011-2014 Total Municipal Employees¹



2014 Total Municipal Employees¹



1: Employee count as of June 1 (2014 as of January 1); Police as of July 1, 2014; Includes both full time, part time employees, and seasonal employees; Mayor's Office includes Resident Response Center (RRC); 2: Seasonal employees from all departments grouped together; 3: Includes new Police Officer recruit class

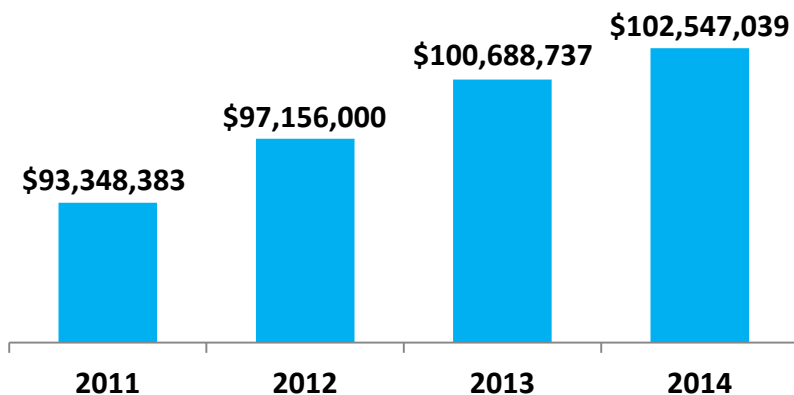
Police Division (Department of Public Safety)

Public Safety Director: James Shea

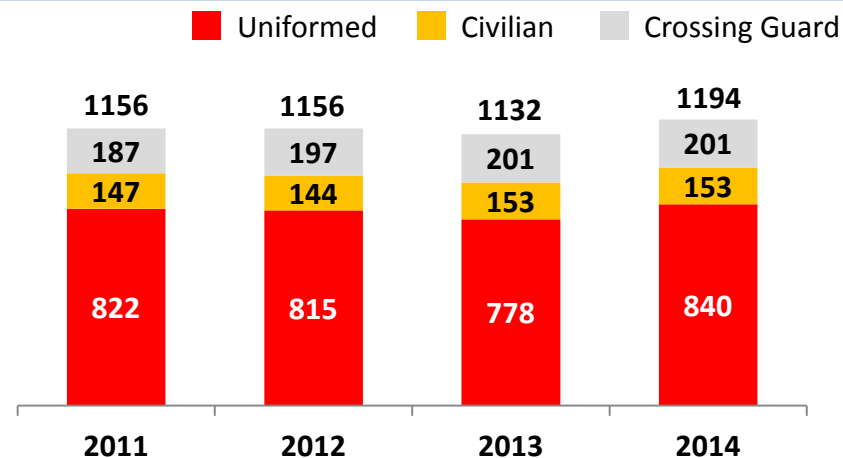
Police Chief: Robert Cowan



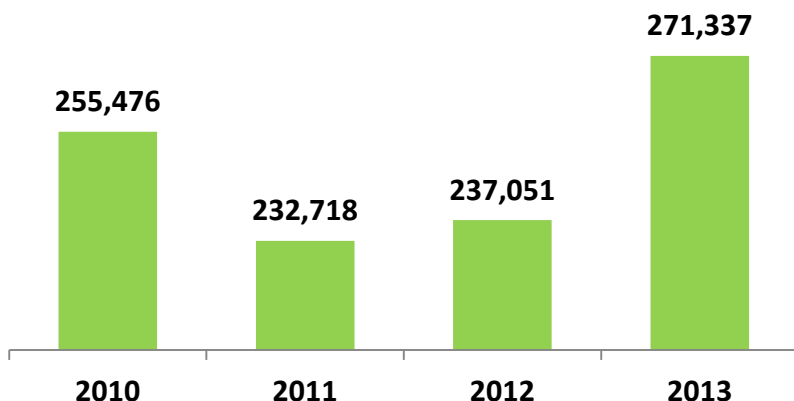
2011-2014 Budget Analysis¹



2011-2014 Employee Levels^{2,3}



2010-2013 Calls For Service



2013 Division Highlights

- Former NYPD Deputy Chief James Shea appointed as Public Safety Director in July
- Created Public Safety Advisory Board to provide public input and oversight
- Created Cease Fire Unit to investigate all non-fatal shootings
- Conducted multi-agency sweeps of high crime areas
- Instituted walking patrols in all Wards
- **Violent crimes down 16% from Q4 2012 to Q4 2013⁴**
- Increased and improved officer training
- 40 member recruit class will graduate in June 2014; 34 new officers sworn in on December 12 2013

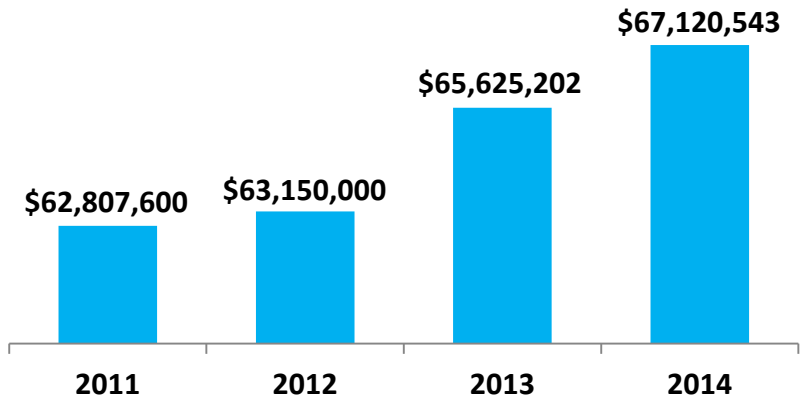
Fire Division (Department of Public Safety)

Public Safety Director: James Shea

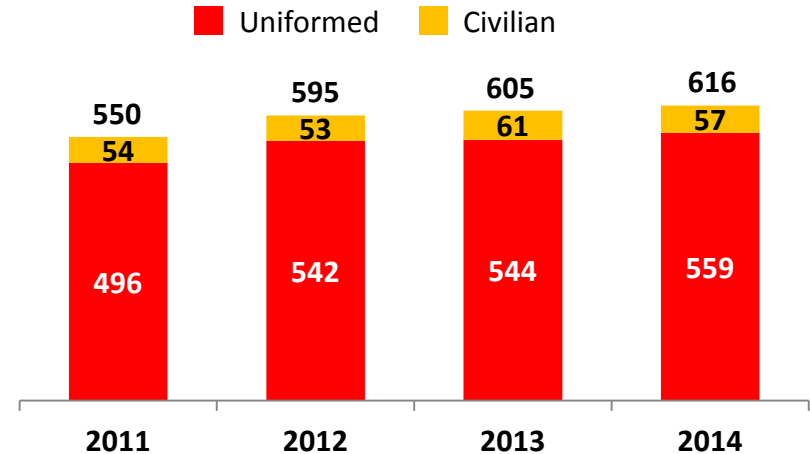
Fire Chief: Darren Rivers



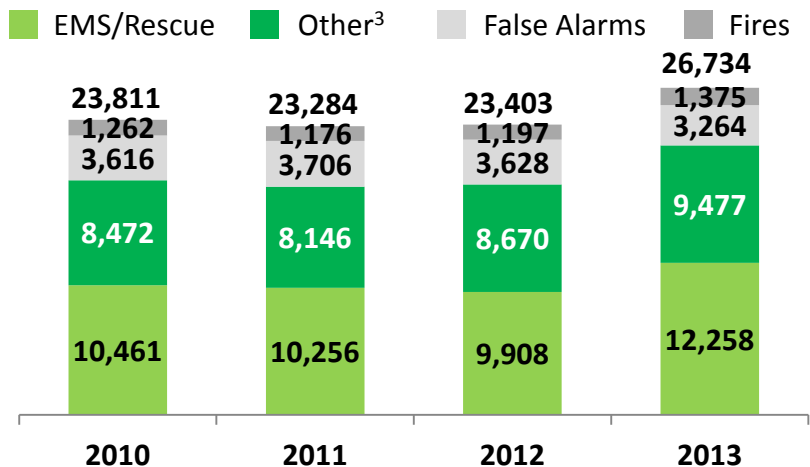
2011-2014 Budget Analysis¹



2011-2014 Employee Levels²



2010-2013 Total Annual Responses



2013 Division Highlights

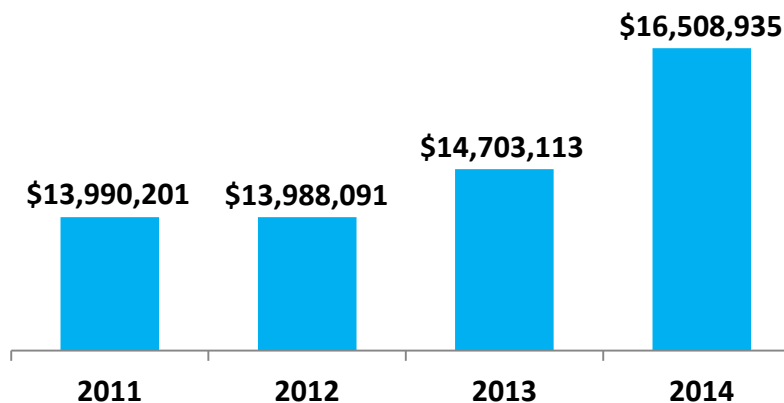
- Reorganized Fire Division from 4 battalions to 3 battalions, reducing overtime expenditures
- Implemented Fire Escape Integrity Program to inspect, test, and label fire escapes
- Revised mutual aid responses for Hudson County Fire Departments to create better balance of participation between municipalities and faster, safer responses
- Fire Prevention/Community Relations Unit attended 35 block association events and conducted 10 in-service training seminars for businesses, distributing over 400 smoke detectors and 4,000 pieces of safety material

Department of Public Works (DPW)

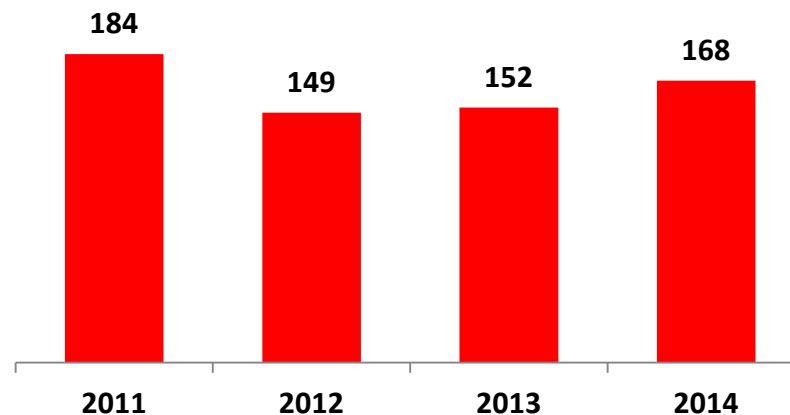
Director: Michael Razzoli



2011-2014 Budget Analysis



2011-2014 Employee Levels¹



Public Works Division Overview

Parks and Forestry

(Director: Cleveland Snow)

Maintains all parks, playgrounds, and other outdoor public facilities as well as trees and other vegetation

Automotive

(Director: Hector Ortiz)

Performs vehicle maintenance, repairs, service, and replacements for fleet of 700 municipal vehicles

Engineering, Traffic, Transportation

(Director: Brian Weller)

Oversees all municipal construction activities (including civil engineering services) as well as traffic and transportation infrastructure

Buildings and Streets

(Director: John McGrath)

Provides custodial and maintenance services to city buildings and streets

2013 Department Highlights

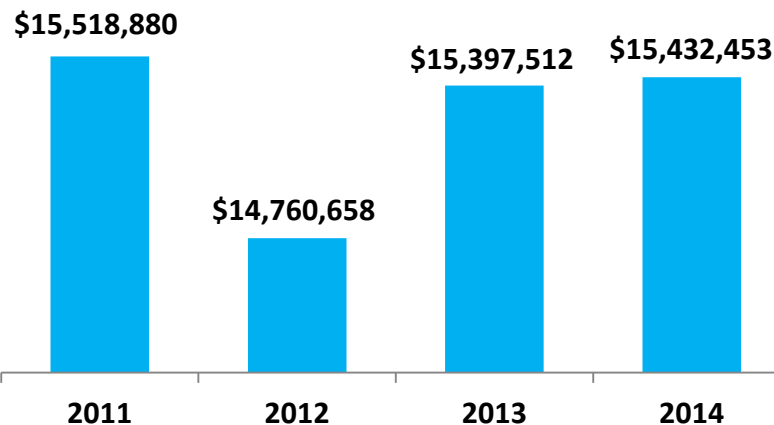
- Sold 85 vehicles no longer needed for municipal use
- Installed GPS monitoring systems in municipal vehicles
- Reduced take-home municipal vehicle use by nearly 90%
- Purchased and outfitted 15 new police cars and 5 new dump trucks with plows and salt spreaders
- Filled 2500 potholes from Jul. 1 to Dec. 31

Department of Administration¹

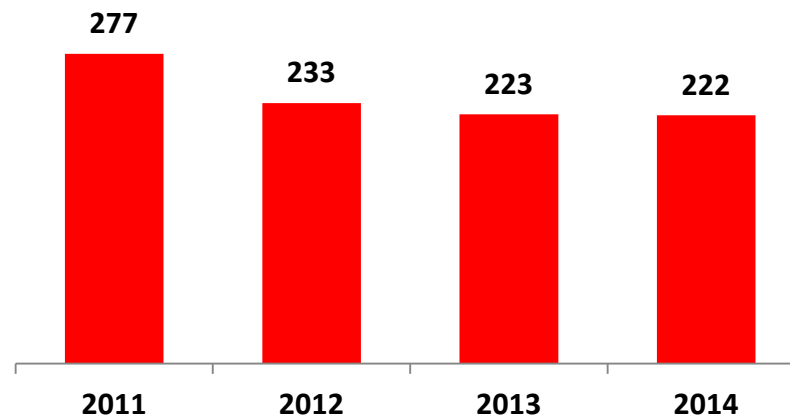
Acting Director: Robert Kakoleski



2011-2014 Budget Analysis¹

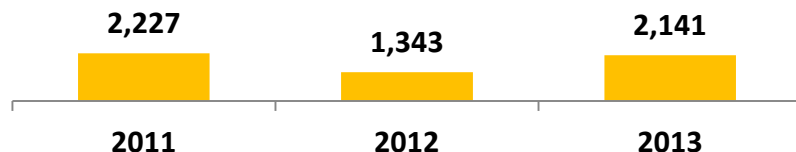


2011-2014 Employee Levels^{1,2}

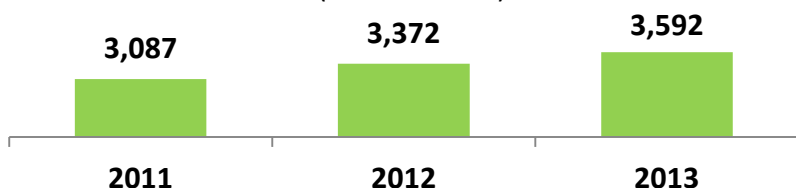


2011-2013 IT and Purchasing Dept. Activity³

IT Service Requests



Purchase Orders Filed (Procurement)



2013 Department Highlights

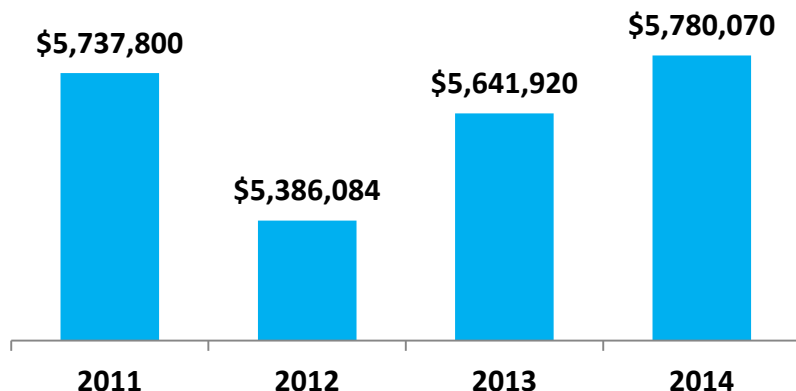
- Tax abatement audits resulted in \$13 million in additional PILOT revenue
- Beginning to research a new West Side Avenue Special Improvement District (SID)
- Finalizing system to accept payments to any Jersey City municipal office using credit cards
- Aggressively pursuing outstanding Municipal Court receivables
- Creating an online vendor registry and electronic procurement system to streamline procurement process
- Developing long-term plan to consolidate all leased municipal offices into a single municipal complex

Housing, Economic Development, and Commerce (HEDC)

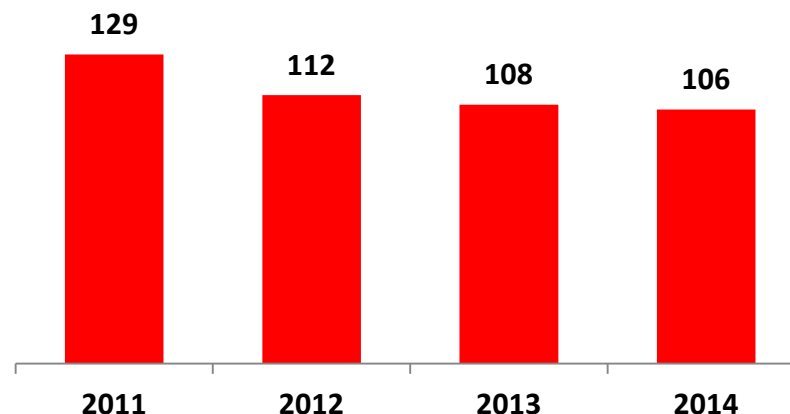
Acting Director: Anthony Cruz



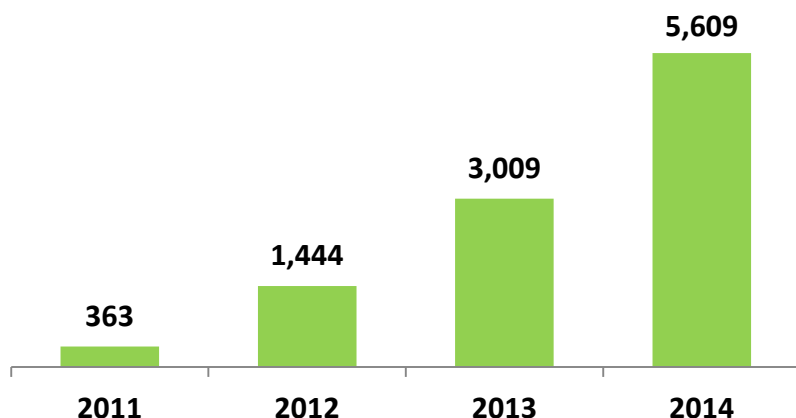
2011-2014 Budget Analysis



2011-2014 Employee Levels¹



2011-2014 Residential Units Under Construction²



2013 Department Highlights

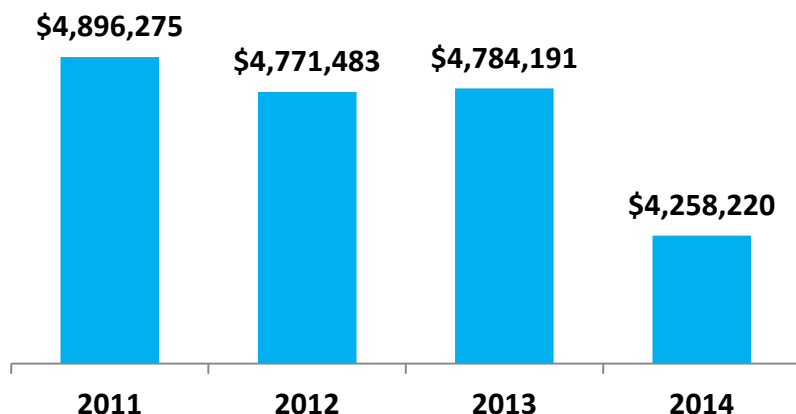
- Raised \$4,860,000 in 2013 through taxi medallion auction
- 5,609 residential units under construction (as of January 2014), the highest level of construction in recent history²
- Created zoning awareness community outreach program (ZACO) to help residents understand zoning regulations
- Implementing mobile electronic building inspection systems to allow for higher productivity and accuracy
- Leading New Jersey in vacant building initiatives, inspections, registrations, and awareness (including best-in-class placard identification system)

Department of Health and Human Services

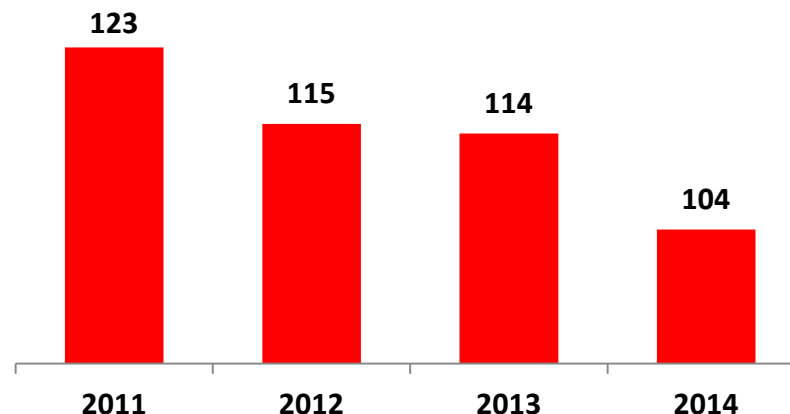
Director: Stacey Flanagan



2011-2014 Budget Analysis (grants not included)¹



2011-2014 Employee Levels^{1,2}



Overview of Programs and Services

Affordable Care Act Information and Assistance	Alliance to Combat Alcohol and Drug Abuse
Animal and Rodent Control	Health Education and Community Events
Preventative Medicine ³	Food and Nutrition ⁴
Lead Poisoning Prevention Program	Health and Sanitation Inspections and Licensing
Children's Health Clinic	Women, Infants, and Children (WIC) program ⁵

2014 Department Goals

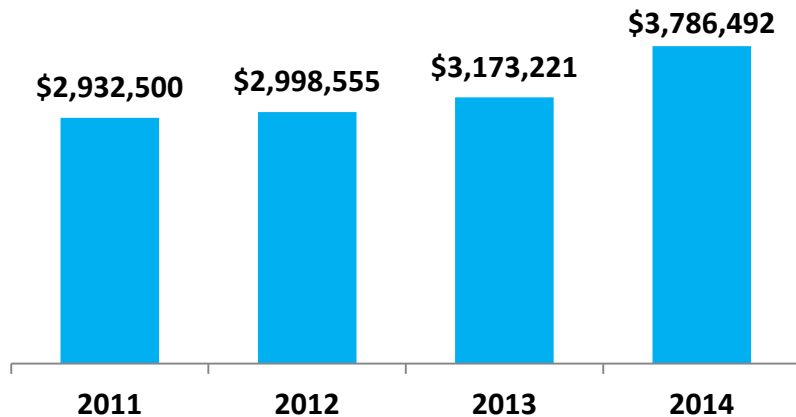
- Complete move to new facility
- Create fully grant funded division of Food and Nutrition
- Increase health inspection volume by 20%
- Reduce overtime by 50%
- Increase grant support for clinics by 50%
- Introduce "Partnership for a Healthier Jersey City" and Child and Adult Care Food Programs
- Shift to mobile data systems to improve efficiency, increase workflow, and improve data accuracy of inspectors and other HHS field workers

Law Department

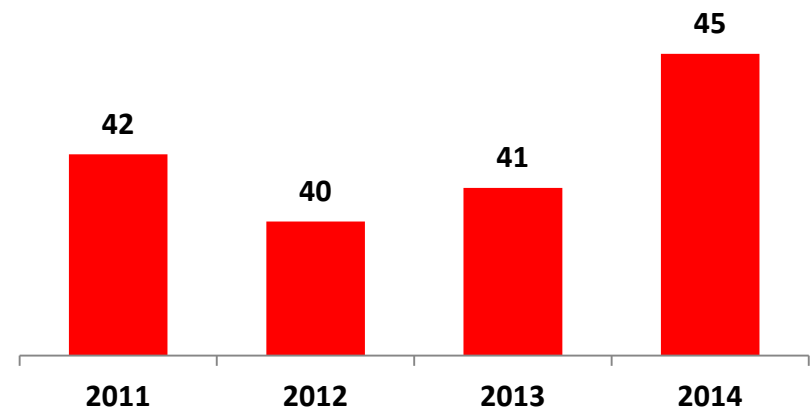
Corporation Counsel: Jeremy Farrell



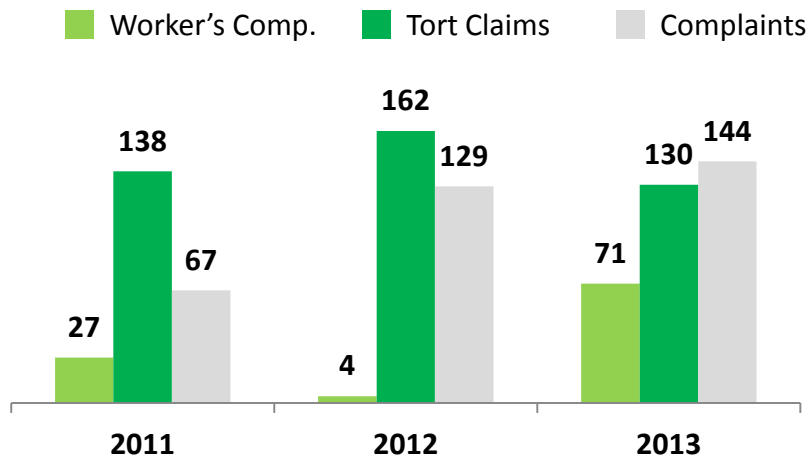
2011-2014 Budget Analysis



2011-2014 Employee Levels¹



2011-2013 Case Volumes By Case Type



Department Overview

- Representative of the City and its employees in all legal affairs
- Protects City from undue financial exposure and unfair contracts/agreements
- Assists in drafting, reviewing, and executing all RFPs and other public bidding process documents, in addition to all public contracts
- Formulates and executes City resolutions, ordinances, and other policies

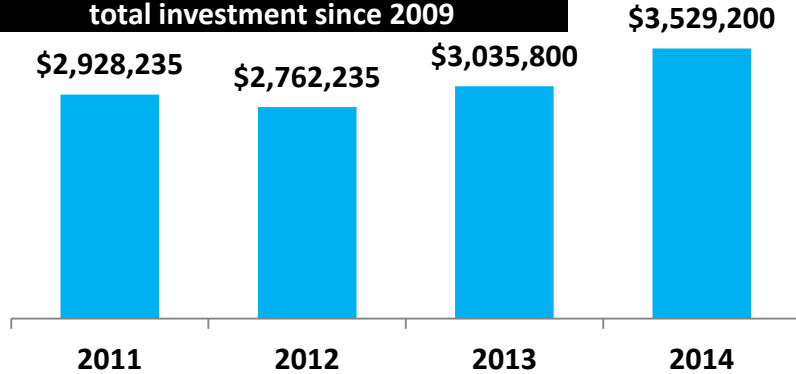
Department of Recreation

Director: Ryan Strother

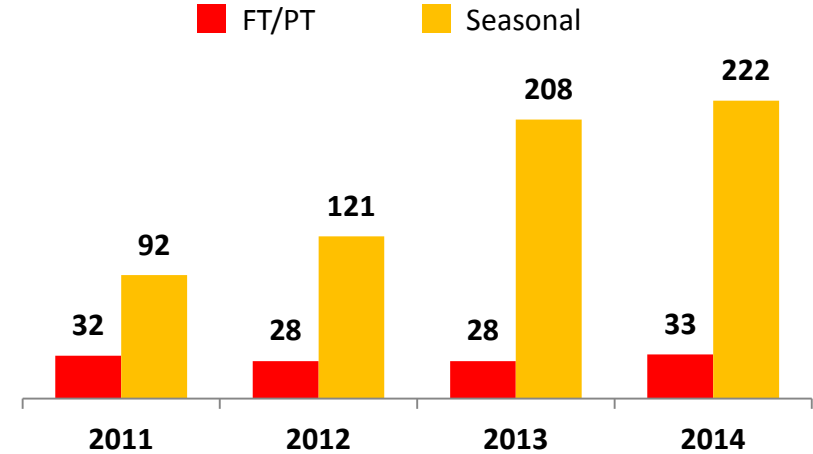


2011-2014 Budget Analysis

Largest percent increase in recreation program funding since 1999 and largest total investment since 2009



2011-2014 Employee Levels¹



Programs Offered (participants in 2013)

Basketball (1577) ²	Sr. Fitness (177) ³	New for 2013 ⁴
Boxing (959)	Yoga (140)	Golf (44)
Swimming (487)	Ice Skating (121)	Dance Fitness (24)
Soccer (407)	Cricket (116) ⁵	Special Oly. (19)
Track (269)	Boot Camp (75)	Aquatics (18)
Football (193) ⁶	Scuba (70)	Ski Club ⁷
Tennis (178) ⁵	Adult Art (68)	Volleyball ⁷

2013 Department Highlights

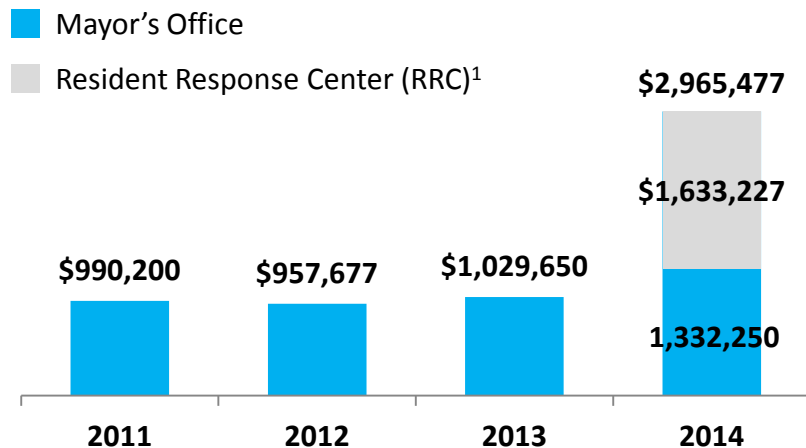
- Increased summer youth employment program by splitting standard work hours between multiple new hires
- “Stop the Drop” litter cleanup and awareness program, the first such program for Jersey City, employed 160 youth
- Expansion of programs to include youth aged 16-20
- Addition of Cricket, Indoor Winter Tennis, Scuba, and Boxing programs for 2013 and beyond
- Considering additional programs such as Lacrosse, Gymnastics, Fencing, Curling, and Roller Skating

Mayor's Office

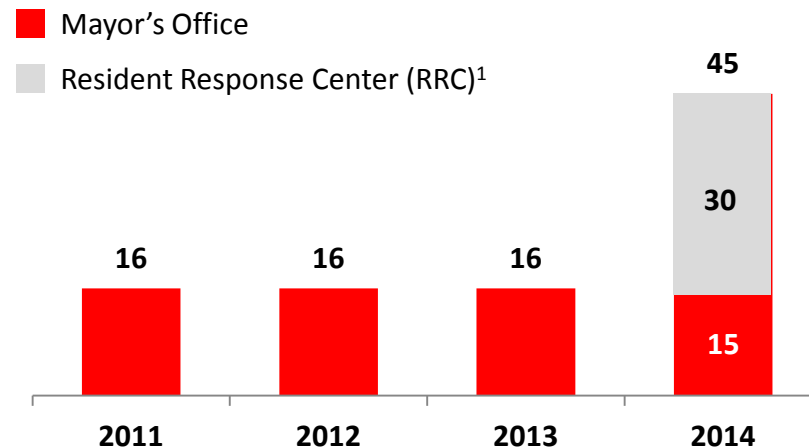
Chief of Staff: Muhammed Akil



2011-2014 Budget Analysis¹



2011-2014 Employee Levels^{1,2}



Key ongoing projects³

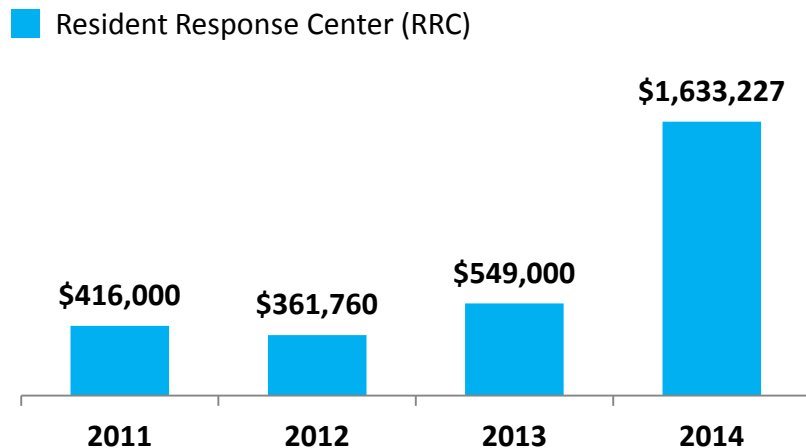
- | | |
|---|--|
| ▪ Consolidation of departments to reduce redundancies | ▪ Improving IT infrastructure and software systems |
| ▪ Citywide bus shelters and speed humps to protect pedestrians | ▪ Establishment of year-round internship programs |
| ▪ Restoration and revitalization of the Loew's Jersey Theatre | ▪ Introducing bike lanes and bike sharing program |
| ▪ Data Dashboard system to facilitate analysis of all municipal operations and improve municipal transparency | ▪ Creation of Office of Grants and Community Partnerships to secure public funding and expand nonprofit sector relationships |
| ▪ Restructuring tax-abatement program to encourage development beyond the waterfront | ▪ Reallocation of Police manpower by time of day and location based on crime statistics |
| ▪ Marketing and branding campaign to create Jersey City identity and attract visitors and new residents | ▪ Citywide beautification initiative (Keep Jersey City Beautiful) including a mural arts program |



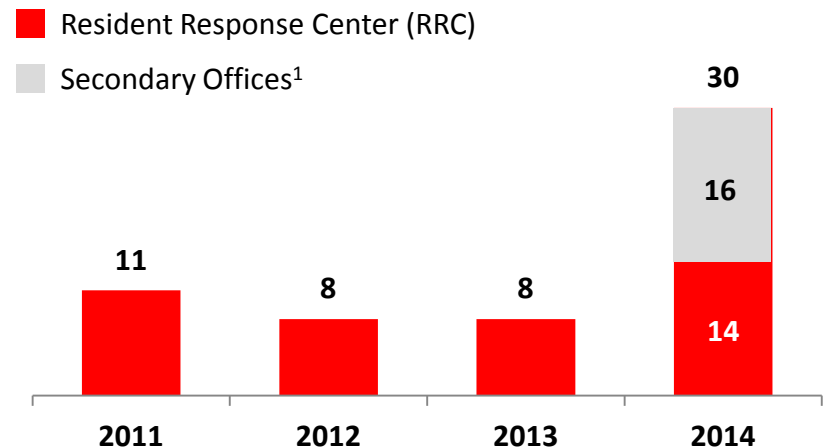
Resident Response Center (RRC)

Director: Althea Bernheim

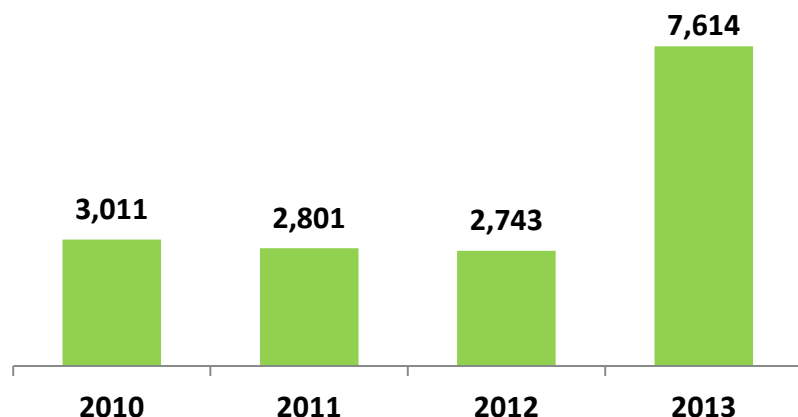
2011-2014 Budget Analysis¹



2011-2014 Employee Levels^{1,2}



2010-2013 Total Resident Requests



Department Overview

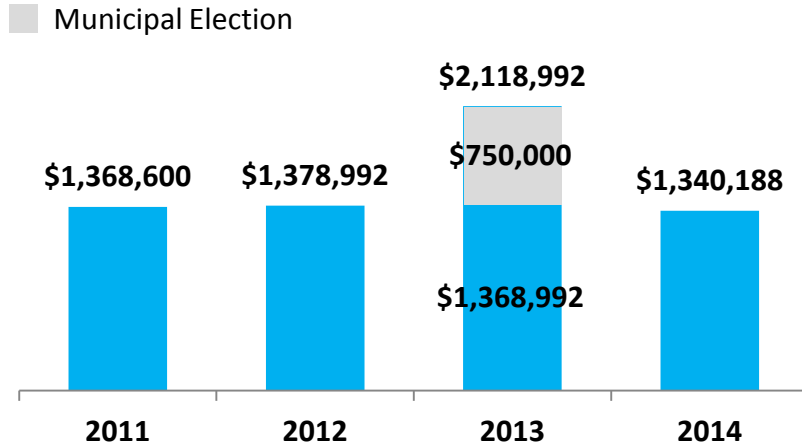
- Open from 8:00AM to 8:00PM Monday through Friday, servicing resident questions and concerns in person or via phone calls, emails, or the RRC Fix-It App (multilingual)
- Supports and guides block and neighborhood associations in seeking municipal services and maintaining membership
- Responsible for utilizing and maintaining Web Q&A, Jersey City's e-ticketing and resident complaint management program
- Absorbed by the Mayor's Office; expanded services for 2014 to include Office of Senior Affairs, Cultural Affairs, Veterans Affairs, and Diversity and Inclusion

City Clerk

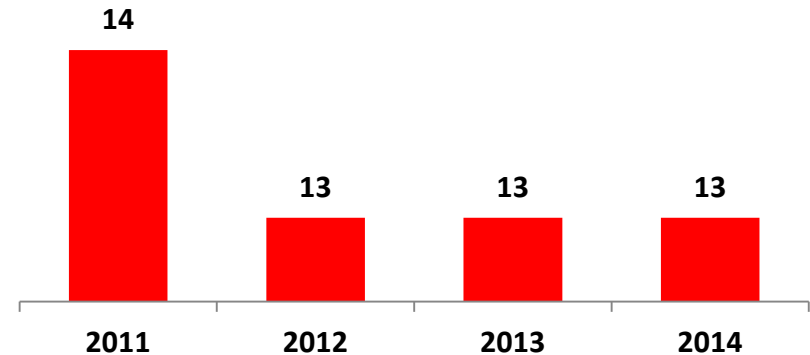
Jersey City Clerk: Robert Byrne



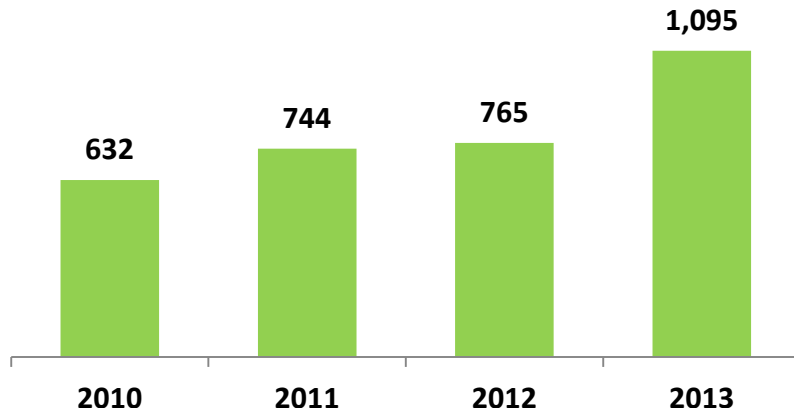
2011-2014 Budget Analysis



2011-2014 Employee Levels¹



2010-2013 Total OPRA Requests



Department Overview

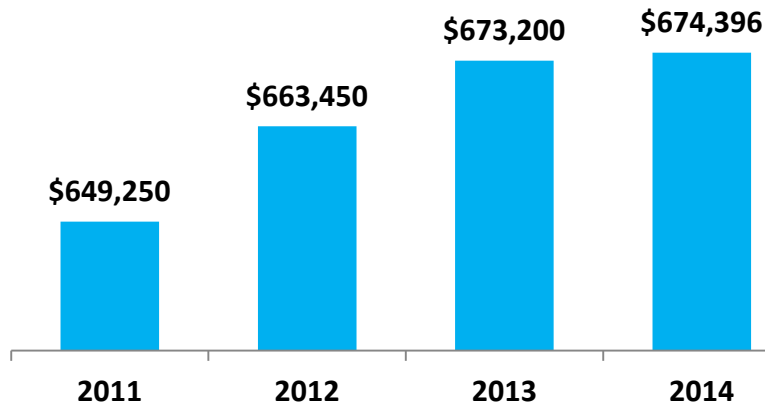
- Manages recordkeeping of all Jersey City Municipal documents, ordinances, resolutions, contracts, correspondence, and other forms
- Maintains Jersey City Municipal Code and Council Agendas, providing online access to current and historic versions
- Issues variety of licenses, certificates, registrations, and permits
- Processes OPRA requests and serves as gateway between municipal government and the public
- Chief election officer for Jersey City

City Council

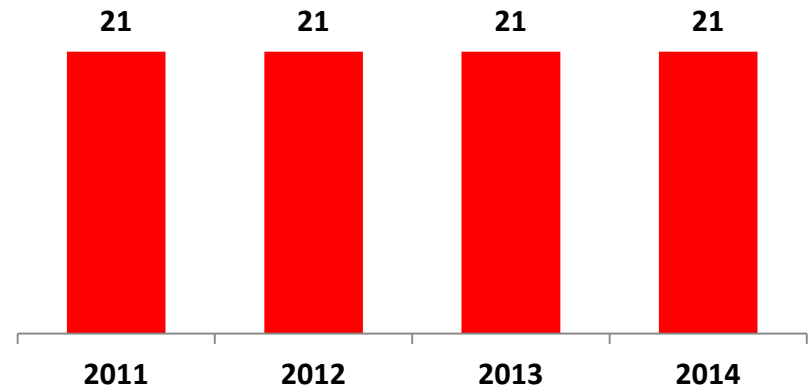
Council President: Rolando Lavarro



2011-2014 Budget Analysis



2011-2014 Employee Levels¹



2010-2013 Ordinances and Resolutions Passed

